

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2586 - HB 2942

February 23, 2012

SUMMARY OF BILL: Authorizes, if more than 10 days before trial, a party to serve upon an adverse party an offer to allow judgment pursuant to Rule 68 of the Tennessee Rules of Civil Procedure to be taken against the offeror for the money or property specified in the offer with the costs then accrued. Defines "costs" relative to such judgments. Prohibits a court from considering as part of a judgment any cost not included in the offer. Directs that if an offer is made by a defendant and rejected by a plaintiff, and the judgment rendered at trial is less than 80 percent of what was in the offer, then the plaintiff shall be liable for the costs accrued after the offer was made. Directs that if an offer is made by a plaintiff and rejected by a defendant, and the judgment rendered at trial is more than 120 percent of what was in the offer, then the defendant shall be liable for the costs accrued after the offer was made. Specifies the manner in which an offer of judgment is to be made. Directs that a counteroffer terminates the ability to accept the original offer. In actions involving multiple plaintiffs or defendants, requires offers to provide each party an individual offer and an opportunity for acceptance. Directs that these requirements apply only to courts of record. Defines a "court of record". Requires all persons appealing a decision by a trial court in a civil matter to execute a bond for suit costs equaling one percent of the cost of the appeal, or \$20,000, whichever is greater. Urges the Tennessee Supreme Court to expedite the hearing of appeals under \$100,000.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumption:

- According to the Administrative Office of the Courts, any impact upon the caseloads of the state trial and appellate courts will be minimal. Therefore, the impact is not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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/sbh